



October 25, 2022
EPS Holdings, Inc.

News release

Notice Regarding Corporate Restructuring

EPS Holdings, Inc. (Head Office: Shinjuku-ku, Tokyo; Representative Director: Hao Yan; hereinafter “the Company”) hereby announces that it has decided to make its subsidiary EP-PharmaLine Co., Ltd. (Head Office: Toshima-ku, Tokyo; President & Representative Director: Kanami Ikeda; hereinafter “EP-PharmaLine”) a subsidiary of its subsidiary EPNextS Co., Ltd. (Head Office: Shinjuku-ku, Tokyo; Representative Director: Tatsuma Nagaoka; hereinafter “EPNextS”), by way of the share delivery method.

1. Background and Process of Making EP-PharmaLine a Subsidiary of EPNextS

As a solutions provider that contributes to the development of the healthcare industry, the Company possesses EP-PharmaLine, which conducts sales and marketing activities mainly for pharmaceutical companies as a CSO^{*3} business under its umbrella, in addition to EPS Corporation (“EPS”), which handles the CRO^{*1} business, and EP-SOGO Co., Ltd. (“EP-SOGO”), which handles the SMO^{*2} business. The Company positions these three as core businesses, and has worked to improve services and expand its business matched to customer needs, by capitalizing on collaboration in the Group as well as the know-how and product development capabilities of other related businesses in the Group.

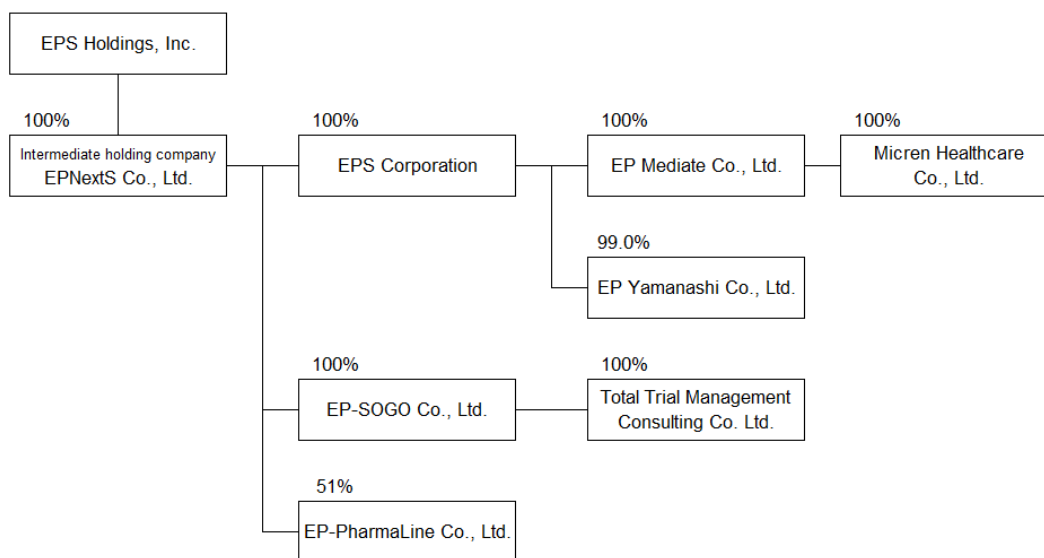
Last year, the Company conducted a management buyout before going on to outline its SHINYO medium-term management plan, and is now focused on finding and establishing new customer solutions and revenue models. Under these initiatives, in order to ensure flexible strategic decision-making that takes into account overall optimization of the Group, the Company established EPNextS in October as an intermediate holding company to manage these three core businesses, and has already made EPS of the CRO business and EP-SOGO of the SMO business into subsidiaries of EPNextS. (See “Establishment of Intermediate Holding Company and Corporate Restructuring,” issued August 26, 2022, for more details)

The Company has now decided to deliver all shares it holds of EP-PharmaLine, which conducts the CSO business, to EPNextS, and shift it from being a subsidiary of the Company to a subsidiary of EPNextS. This concludes the series of corporate restructuring efforts related to core businesses.

However, all we see now is the framework that has only just been formed. Going forward, the intermediate holding company will play a central role in guidance, support, and management for

effective utilization of the management resources of the three core businesses it will manage, and their subsidiaries, and for the companies' operational management and strategy development. It will also work to maximize corporate value by building a competitive business structure, which will include strengthening risk management and governance.

Relationships between Companies



(Percentages are ownership stakes)

2. Overview of Entities Involved in Share Delivery

	Share delivery parent company	Share delivery subsidiary
Name	EPNNextS Co., Ltd.	EP-PharmaLine Co., Ltd.
Address	2-1 Tsukudohachimancho, Shinjuku-ku, Tokyo	3-27-12 Nishi-Ikebukuro, Toshima- ku, Tokyo
Representative Director	Tatsuma NAGAOKA	Kanami IKEDA
Business area	Making management strategy for subsidiaries, research on new services, M&A strategy execution to help raise the added value of subsidiaries' businesses, and related activities	DI (drug information) and other call center services, related BPO services, and medical device support services
Capital	100 million yen	100 million yen
Main shareholder and ownership stake	EPS Holdings, Inc., 100%	EPNNextS Co., Ltd. 51% SUZUKEN CO., LTD. 49%
Establishment	October 4, 2022	November 4, 1997
Share delivery date	October 25, 2022	

*1: Contract research organization

*2: Site management organization

*3: Contract sales organization

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Corporate Communication Office

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